China Rural Land Registration and Certification Piloting Project

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1. Background

Since the adoption of the Household Responsibility System (HRS) in the late 1970s, China's agriculture has enjoyed a great amount of growth and the living standards of farmers have been increasingly higher. Nevertheless, significant problems remain. The most prominent issue is that, with its worsening rural-urban income disparity, farmers' income has been lagging far behind their urban counterparts. Numerous studies indicate that *land* has substantial direct or indirect bearing on many urgent issues in rural China.

From the global perspective, Chinese farmers probably have the most equalitarian access to land. This may be attributed to the HRS, under which practically all rural families may "contract" farm land from their rural collectives (mostly villages). Accordingly, the HRS has provided a basic welfare safety net to more than 700 million rural residents despite the limited amount of agricultural land in China. Precisely in light of the monumental success brought by such a reform, the central government extended the duration of the contractual term for farm land to the present 30 years, and provided further protection for farmers' rural land use and contracting rights through laws² and policies³.

Yet, farmers' land contracting right established by law is still not fully implemented. Based on independent research, many farmers actually do not possess any written documentation - a Rural Land Contracting Right Certificate or a Rural Land Contracting Contract – that confirms their legal rights to land. Even for the already issued Certificates or Contracts, a vast majority of them is incomplete or inaccurate, for example, not including the essential elements such as four-way directions.

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² 1998 Land Management Law and the 2003 Rural Land Contracting Law.

³ The No.1 document released by the GOC in 2008 pointed out "to establish and improve the rural land contracting right registration system"; the policy paper put forward by the No. 17th by the Third Plenary Session of the 17th CPC central committee in 2008 pointed out that "well proceed the work of adjudication, registration and certification of rural land rights".

Secure and long-term land right is one of the fundamental prerequisites for the assurance of rural basic livelihood, the sustainable investments in land by farmers, the orderly development of rural land transfer market and the continuing growth of rural income. Land registration is an important means of implementing and confirming such secure, long-term land rights. According to the developed countries' standards, there is little legal proof for the land rights of the vast majority of Chinese farmers. This is exactly one of the major reasons why numerous rural families' land rights have been violated while faced a difficult time in seeking appropriate remedies.

Thanks to the FAO and World Bank, the China Rural Land Registration and Certification Piloting Project (CRLRCPP) is the first step for establishing a land registration system in China's countryside. The rural land registration system is of great importance in China. Firstly, solidifying the land system in China and further helping set up full-fledged economic institutions. Secondly, providing effective legal protection to help farmers obtain the secure and stable returns from land and promote the food production and income generation. Thirdly, normalizing the rural land transfers and thus facilitating the establishment of the sound rural land transfer market. Fourthly, reducing the land disputes and empowering the farmers in the process of land taking. Lastly, delivering detailed rural land information and helping government extend and deepen the favorable policies towards agriculture and rural development.

2. Main Project Components

The project is to conduct a systematic first registration of all farmers' rural land use and contracting rights in the pilot area, and its major components include the following:

- Decided on basic principles and strategies of the project with the input of domestic and international consultants;
- Draft a operational manual for the rural land registration in China;
- Decide on a pilot area and coordinate with local government regarding the project;
- Conduct preliminary research and formulate a project working plan;
- Set up national and local project offices and train the essential staff;
- Establish a computerized registration system;

- Conduct baseline survey, grassroots-level publicity and mobilization campaigns;
- Carry out rural land surveying and basic registration information collecting;
- Organizing and checking surveying and registration information and materials;
- Resolving registration-related disputes and controversies;
- Finalize registration records and input to the system;
- Draft a country strategy report that incorporates the field experiences and offers recommendations for a nationwide registration program.

3. The project implementation

(1) National PMO Establishment. In August 2005, the national PMO was formally established in Center for Development Policy, China Agricultural University, and the national project coordinator is Dr. Yang Zhao. In November 2005, the officials from FAO and World Bank, namely, Paul, Mika and Guo Li visited China and discussed about the specific matters for project implementation with National PMO staff.

(2) *Start-up Workshop*. On January 21 2006, the Start-up workshop was held at the China Agricultural University. The participants discussed the necessity and feasibility of rural land registration system and the potential social, economic and legal issues during the project implementation.

(3) National Specialists Selection. In July 2006, FAO approved the recruitment of 6 national specialists recommended by the National PMO to be involved in project work, and the project operational manual has been started preparation.

(4) *Study tours.* In March 2006, a Chinese delegation led by Mr. Xiwen Chen, vice minister at General Office of Central Leading Group on Rural Affairs, visited US and Canada to learn the land registration system as well as the land property taxes. On August 2006, a Chinese delegation led by Mr. Yang Zhao, deputy director at General Office of Central Leading Group on Rural Affairs, visited Australia and Indonesia and got the first-hand information on how to conduct the rural land registration and certification.

(5) Software System Development. Since 2007, Beijing-based Land Star Digital Company, the Canada-based ESRI Company and US-based ILS Company, have jointly engaged in developing a software system for project implementation. In

December 2007, people from Ministry of Land and Resources and Nanjing Agricultural College went to Canada to discuss and amend the project operation manual with ESRI professionals in order to further improve the software operating system

(6) Project contract agencies selection. In 2008, the contract agencies for baseline survey, land survey, IT systems development, capacity-building, legal framework analysis has been identified to work for the project.

(7) *Pilot Identification.* In 2006, the national PMO staff visited Xuancheng City in Anhui Province and Ganzhou City in Jiangxi Province and tried to determine the pilot selection. In July 2008, the national PMO finalized the pilot area in Feidong County, Anhui Province with a very small scale, namely, two villager groups in Shitang Township. Totally 78 farmer households with 787 land parcels got involved into the pilot project.

(8) Local PMO establishment. In September 2008, the national project working group as well as the office of the Working Group on pilot area was finalized. The local PMO at county level has been also set up, and FAO provided the hardware equipments to local PMO.

(9) Baseline Survey and Gross-root Capacity Building. In September 2008, the farmer household baseline survey was conducted by College of Economics and Management, China Agricultural University, and 150 farmer households (including non-project farmer households) were interviewed. In the same month, the capacity building in pilot area was also conducted by the Center for Rural Development Policy, China Agricultural University. After the training, all the farmers in those two pilot villages got to know how the rural land registration would go.

(10) Initial land registration. During September to November 2008, Nanjing Agricultural University organized the rural land surveying, cadastral surveying and land dispute adjudication. In October to December 2008, the local PMO staff collected the cadastral information and input into the registration software system, and completed all relevant 78 farmer households with 787 initial registrations of agricultural land in pilot areas.

(11) Mid-term Review Workshop. On October 23-24 2008, the mid-term review

workshop was held in Feidong County to sum up the progress of the project and analyze the problems and difficulties the project may further encounter, and also proposed a work plan for the next step.

(12) Final completion Workshop. On January 18 2008, the final completion workshop was held in China Agricultural University. During the workshop, all the project-related information was presented by national and local PMO directors, national specialists and national contract agencies. The higher rank officials from FAO, World Bank, Central Leading Group on Rural Affairs, Development Research Center of State Council, Ministry of Agriculture, Ministry of Land and Resources, and other foreign guests also gave comments and proposal on how to scale up the rural land registration in China in the future.

4. Project Outputs

In the pilot area, the land was surveyed with precision measurement, so *the maps for each surveyed land parcel indeed formed*. Firstly, the property right of agricultural land border was clearly demarcated through the broad participation of farmer households. Secondly, farmers' negotiating power to protect their own rights and interests was largely enhanced. Thirdly, the latest or updated information on agricultural land could be provided to the relevant government agencies and other demanders.

The land right are better secured after the *computerizing the contracting land right sources data and survey data in the software system*. It is conducive for farmers to increase land-related investment and nurture the rural financial markets and increase the farmers' availability to access the financial services. In addition, it will facilitate the provision of agricultural subsidies for farmers to protect the rights and interests of farmers, and promote the legal transfer of rural land contacting rights.

The *fourth draft of "Operational Manual on China's Rural Land Registration System" was completed* to explore a set of practical methods of agricultural land registration in China.

A series of important reports were worked out to further direct the roll-out strategy. Those reports contain the national strategic report, national PMO report, local PMO report, 6 working reports from national specialists, 4 domestic contract agencies reports

5. Next steps

A larger scale pilot project should be conducted in the near future in locations with different ground conditions and factors, with the support from World Bank. The scale of the pilot project should be considerably larger than the two villages experiment, preferably one or two counties. The number of households and parcels, as well as the different conditions on the ground of a county, is essential for decision-makers to discover issues and solutions for all of rural China.

The selected county (counties) must issue rules to make the registration official with real legal force; otherwise, the impact will be greatly diminished. The objective of the next pilot is to develop a sustainable framework for rural land registration and certification by drawing upon lessons learned from pilot work to be undertaken n certain parts of China. The aim is to explore and test legal, technical and organizational solutions for sustainable rural land registration and certification. The resulting methodology and strategy could then be applied nationwide.

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